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Timothy S. Cragin Assistant General Counsel Legal Services - Regulatory

September 25, 2020

Via Electronic Delivery

Ms. Lora W. Johnson, CMC Clerk of Council Room 1E09, City Hall 1300 Perdido Street New Orleans, LA 70112

Re: Bi-Monthly Report of Entergy New Orleans, LLC, Detailing Expenditures Made to Date on New Orleans Power Station and the Currently Anticipated Schedule for Future Expenditures

Dear Ms. Johnson:

Please find enclosed for your further handling the Public Version of the Bi-Monthly Report of Entergy New Orleans, LLC ("ENO" or the "Company"), concerning construction of the New Orleans Power Station ("NOPS"). As a result of the remote operations of the Council's office related to COVID-19, ENO submits this filing electronically and will submit the requisite original and number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

This filing is made pursuant to Council Resolution R-19-78, which ordered ENO to provide bi-monthly reports to the Council during construction of NOPS, detailing the expenditures made to date and the currently anticipated schedule for future expenditures. Council Resolution R-19-78 at 13.

In connection with the Company's filing, a Confidential Version of the Bi-Monthly Report bearing the designation "Highly Sensitive Protected Materials" is being provided to the Council's Advisors pursuant to the terms and conditions of the Official Protective Order adopted in Council Resolution R-07-432. Portions of the information included in the filing consist of or reflect competitively sensitive cost and market information, the disclosure of which may present a risk of harm to ENO's customers. In addition, portions of the filing may contain highly sensitive information of third parties to which an obligation of confidentiality is owed. Ms. Lora W. Johnson, CMC, LMMC September 25, 2020 Page 2 of 2

Thank you for your assistance with this matter.

Sincerely,

Timothy S. Crag

Enclosures cc (via electronic mail):

Honorable Helena Moreno Honorable Jason Rogers Williams Honorable Joseph I. Giarrusso, III Honorable Jay H. Banks Honorable Kristin Gisleson Palmer Honorable Jared C. Brossett Honorable Cyndi Nguyen Erin Spears, Esq. Norman White Sunni J. LeBeouf, Esq. Clinton A. Vince, Esq. Presley R. Reed, Jr., Esq. Emma F. Hand, Esq. J. A. Beatmann, Jr., Esq. Joseph W. Rogers, P.E. Errol Smith, CPA Brian L. Guillot, Esq.

BEFORE THE

COUNCIL OF THE CITY OF NEW ORLEANS

Entergy New Orleans, LLC

New Orleans Power Station RICE Project

Bi-Monthly Report

Pursuant to Council Resolution No. R-19-78

Public Version

September 25, 2020





This Bi-Monthly Report covering the period through the end of August 2020 is submitted to comply with the Ordering Paragraph entitled "NOPS Construction Costs" on page 13 of Council Resolution R-19-78, adopted by the New Orleans City Council ("Council") on February 21, 2019. Specifically, that Ordering Paragraph requires that Entergy New Orleans, LLC ("ENO" or the "Company") provide bi-monthly reports to the Council during the construction of the New Orleans Power Station ("NOPS" or the "Project"), "detailing the expenditures made to date and the currently anticipated schedule for future expenditures."

I. <u>SUMMARY OF KEY NOPS MILESTONES</u>

Table 1: Key Milestones Milestone **Description Expected Date Status** Full Notice to Proceed (FNTP) 1 **March 2018** Complete 2 **Order Major Equipment** March 2018 Complete 3 **Start Engine Deliveries** February 2019 Complete 4 Complete **First Production Pile Installed** February 2019 5 **Engine Hall Enclosed and Dried In** August 2019 Complete 6 **Generator Step Up Deliveries** Complete August 2019 7 **Fuel Gas Available** January 2020 Complete Complete 8 **Backfeed Power Available** March 2020 9 **Engine Commissioning** April 2020 Complete 10 **Target EPC Substantial Completion June 2020** Complete

Table 1 below shows key milestones for the Project:

II. EXPENDITURES MADE TO DATE AND CURRENTLY ANTICIPATED SCHEDULE FOR FUTURE EXPENDITURES

ENO has made expenditures in the amount of \$203.0 million through August 2020. A more detailed confidential summary of ENO's expenditures through August 2020 is attached as Appendix 1. The project status has been broken down into three different components for tracking progress on the Project: **Engineering, Procurement, and Construction**. The Company has completed approximately 100% of project engineering, 100% of project procurement, and 100% of construction. While the project progress shows 100% complete, there are remaining scope items that are scheduled to be worked through the end of 2020 to support plant operation. These scope items were not critical to achieve substantial completion and commercial operation but are included in the overall project cost and scope.



Entergy New Orleans, LLC NOPS Bi-Monthly Report Submitted September 25, 2020 Public Version

Major design/engineering tasks completed through August 2020 include:

• All major deliverables have been issued for design engineering.

Procurement progress through August 2020 includes:

• All equipment associated with the plant has been received at site.

Major construction/commissioning tasks completed through August 2020 include:

- All construction required to support project substantial completion and plant commercial operation has been completed.
- Achieved substantial completion on May 27, 2020, ahead of the target substantial completion date.
- Plant entered commercial operation on May 31, 2020.

Over the next two months, ENO estimates that it will make expenditures in the approximate amount of \$3.7 million. Tasks associated with the estimated expenditures over the next two months include:

- Architectural work associated with site administration office construction
- Start of administration office renovation
- Engineering package development and installation of plant road/driveway lighting
- Engineering package and construction of emergency generator access platform
- Installation of fencing separating NOPS site from existing Michoud facility
- Engineering package development and material purchase for Selective Catalytic Reduction (SCR) structure platform enhancement
- Completion of site landscaping
- NERC protection relay testing



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Appendix 1

Expenditures Summary – Public Redacted Version



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Summary New Orleans Power Station

Expenditures

\$USD

\$USD						
	Å	Actuals thru	Expen	ditures	A	ctuals thru
		12/31/19		0 thru	1	8/31/2020
			8/3	1/20		
	1					
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Grand Total	\$	178,181,036	Ş 2	,451,649	\$	203,041,679